

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 013987
ORIGIN EB-08

INFO OCT-01 EA-10 IO-13 ISO-00 AGRE-00 CIAE-00 COME-00
INR-07 LAB-04 NSAE-00 SP-02 STR-06 TRSE-00 FRB-03
OMB-01 ITC-01 L-03 CTME-00 /059 R

DRAFTED BY EB/TEX:ABERRY:HM
APPROVED BY EB/TEX:JJST.JOHN
COMMERCE - AGAREL
LABOR - IKRAMER
STR - MBSMITH
EA/TIMBS - MEASTON

-----049862 182319Z /15

P R 182203Z JAN 78
FM SECSTATE WASHDC
TO AMEMBASSY SINGAPORE PRIORITY
INFO USMISSION GENEVA

LIMITED OFFICIAL USE STATE 013987

GENEVA FOR PHELAN

E.O. 11652:N/A

TAGS: ETRD, SN

SUBJECT: BILATERAL TEXTILE AGREEMENT NEGOTIATIONS.

1. COMMENTS MADE DURING TECHNICAL CONSULTATIONS IN SINGAPORE LAST OCTOBER, AS WELL AS RECENT EMBASSY REPORTING, INDICATE THAT GOS MAY BE INCREASINGLY RECEPTIVE TO CONCEPT OF LESS STRUCTURED AGREEMENT. WE BELIEVE THAT ANOTHER DISCUSSION BETWEEN EMBASSY OFFICIAL AND TAN CLARIFYING THAT CONCEPT WELL IN ADVANCE OF JANUARY 30 REOPENING OF NEGOTIATIONS COULD FACILITATE CONCLUSION OF AGREEMENT. THEREFORE, PLEASE PRESENT TO TAN ASPECTS OF U.S. POSITION
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 013987

SET FORTH IN FOLLOWING PARAGRAPHS, AND REPORT REACTION.

2. THE EXISTENCE OF LARGE DIFFERENCES BETWEEN LIMITS ESTABLISHED IN 1975 AGREEMENT AND AMOUNTS WHICH SINGAPORE ACTUALLY SHIPPED (I.E. "OVERHANG") CONSTITUTE A THREAT TO ORDERLY MARKETING OF TEXTILES IN UNITED STATES. IN 1976 SINGAPORE TEXTILE EXPORTS TO UNITED STATES WERE LESS

THAN 40 PERCENT OF THE AGGREGATE LIMIT, AND MAY HAVE BEEN LESS THAN 25 PERCENT OF THE LIMIT IN 1977. SIMILARLY SINGAPORE HAS BEEN UNDERSHIPING IN SENSITIVE COTTON AND MAN-MADE FIBER APPAREL GROUP, AND WITHIN THE GROUP IN A NUMBER OF SENSITIVE APPAREL PRODUCTS.

3. WE NEED TO AVOID SUDDEN LARGE INCREASES IN TEXTILE EXPORTS FROM SINGAPORE WHICH COULD DISRUPT U.S. MARKETS. WE BELIEVE THAT A MORE STREAMLINED AGREEMENT THAN THE 1975 COMPREHENSIVE TYPE COULD ACCOMPLISH THIS AND AT SAME TIME ENSURE THE FLEXIBILITY, WHICH TAN MAINTAINS SINGAPORE NEEDS, TO SHIFT FROM CATEGORY TO CATEGORY IN RESPONSE TO CHANGING CONSUMER TASTES. WE WOULD PROPOSE AN AGREEMENT WITHOUT AN AGGREGATE LIMIT, AND HAVING FEWER SPECIFIC LIMITS AND CONSULTATION LEVELS; THESE WOULD BE ESTABLISHED ONLY FOR SENSITIVE PRODUCTS WHICH SINGAPORE HAS BEEN SHIPPING IN SIGNIFICANT AMOUNTS. PRODUCTS NOT SUBJECT TO SPECIFIC LIMITS OR CONSULTATION LEVELS COULD BE COVERED BY CONSULTATIVE MECHANISM WHEREBY THE U.S. COULD INITIATE DISCUSSIONS WITH SINGAPORE WHEN ITS EXPORTS OF ONE OR MORE OF THOSE PRODUCTS CAUSED OR THREATENED TO CAUSE PROBLEMS IN U.S. MARKETS. SUCH DISCUSSION WOULD BE INITIATED WITH A VIEW TO AVOIDING MARKET DISRUPTION.

4. WE APPRECIATE GOS NEED FOR BASIS ON WHICH TO ALLOCATE EXPORT QUOTAS AMONG ITS INDUSTRY, AND WE ARE CONFIDENT LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 013987

THAT MUTUALLY AGREEABLE LANGUAGE CAN BE FOUND TO MEET SINGAPORE'S NEEDS WITHIN THIS SORT OF FORMAT. IN LAST FEW YEARS, WE HAVE NEGOTIATED NEW AGREEMENTS WITH SEVERAL COUNTRIES WHICH, LIKE SINGAPORE, WERE SIGNIFICANTLY UNDERSHIPING LEVELS ESTABLISHED IN THEIR EXPIRING AGREEMENTS. THESE NEW AGREEMENTS HAVE PROVED SATISFACTORY TO BOTH UNITED STATES AND EXPORTING COUNTRIES AND MAY SERVE AS POSSIBLE MODELS FROM WHICH TO NEGOTIATE AN AGREEMENT TAILORED TO SINGAPORE'S NEEDS. JAPAN'S, EGYPT'S, JAMAICA'S, AND MALAYSIA'S PRESENT AGREEMENTS ALL REPRESENT NEGOTIATED RESOLUTIONS OF THE "OVERHANG" ISSUE. CHRISTOPHER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TEXTILES, AGREEMENTS, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 18 jan 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE013987
Document Source: CORE
Document Unique ID: 00
Drafter: ABERRY:HM
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780027-0969
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780148/aaaaboso.tel
Line Count: 106
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 56f83be2-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3752402
Secure: OPEN
Status: NATIVE
Subject: BILATERAL TEXTILE AGREEMENT NEGOTIATIONS.
TAGS: ETRD, SN
To: SINGAPORE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/56f83be2-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014